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CONSULTATIONS WITH NON-MEMBER STATES

Report by the Director-General

In compliance with decision IDB.26/Dec.10, reports on the status of consultations with non-Member States as of 4 July 2003.

1. The present document is presented in compliance with decision IDB.26/Dec.10, paragraph (e) of which requested the Director-General to report on progress made in consultations with non-Member States. It updates the information provided to the Board at its twenty-sixth session (IDB.26/14 and Corr.1 and IDB.25/CRP.6).

2. Following the visit of a high-level UNIDO delegation to *Monaco* (8-11 December 2002) led by the Director-General, further consultations with the Minister of State were successfully concluded and paved the way for *Monaco's* accession to UNIDO. Monaco became UNIDO's 170th Member State on 23 January 2003.

3. The solicitation of membership was also further pursued with *San Marino*. Due to the establishment of a new Government, a high-level mission of *San Marino* to Headquarters, originally planned for November 2002, had to be postponed. A subsequent follow-up letter reconfirming the Director-General's invitation and UNIDO's continuous interest in exploring opportunities for cooperation and discussing the membership issue is now awaiting response.

4. Following communications by the Director-General to the Prime Minister of *Antigua and Barbuda* of April 2001 and July 2002, contacts have been established through UNIDO's Special Representative and Assistant Director-General for United Nations Affairs in New York with the Permanent Mission of *Antigua and Barbuda* to the United Nations. A letter following up on the membership issue and possible areas of cooperation such as the launching of a UNIDO market access facilitation initiative in cooperation with the Caribbean Community was sent in June 2003. *Antigua and Barbuda* remains the only State in the Caribbean that is not a member of UNIDO.

5. As a result of solicitation letters by the Director-General sent to the Minister of Foreign Affairs of *Iceland* in April 2000 and August 2002 as well as through the good offices of one UNIDO Member State, closer contacts have been established with the Icelandic Government. In the margins of the Commission on Sustainable Development (CSD) on 29 April 2003, the head of the delegation of *Iceland* expressed interest in cooperation with UNIDO, particularly in the field of energy (geothermal energy) and persistent organic pollutants (POPs). Furthermore, indications were received that the membership issue was under consideration by the Icelandic Government.

6. A UNIDO presentation on rural energy for productive use at the World Summit on Sustainable

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Development at Johannesburg, South Africa (26 August-4 September 2002) laid the groundwork for concrete cooperation proposals with *Tuvalu* and *Samoa*. The Permanent Representatives of *Tuvalu* and *Samoa* held consultations with UNIDO on the occasion of the Third Meeting of the Global Forum on Sustainable Energy at Graz, Austria, in November 2002. UNIDO undertook a programming mission to both countries in January 2003. In *Tuvalu*, the membership issue was discussed with the Minister for Finance, Planning and Industries. During the programming mission to *Samoa*, the membership issue was raised with the Ministry of Foreign Affairs and follow-up discussions took place in the margins of CSD in New York on 1 May 2003.

7. Following UNIDO's programming mission to *Timor-Leste* in January 2003, during which the membership issue was well received by the Minister of State for Foreign Affairs and Cooperation, a second mission—by the UNIDO Representative in Jakarta—took place from 15 to 18 June 2003. On that occasion the Minister of State Administration again expressed interest in acceding to UNIDO. Furthermore, a UNIDO/UNDP cost-shared mission was undertaken to develop a programme on entrepreneurship development focusing on rural community in the country (21 June-4 July 2003).

8. In decision IDB.26/Dec.10, paragraph (c), the Board acknowledged the contribution that could be made by Member States through bilateral consultations with non-Members, and in paragraph (d) requested the Director-General to hold close and regular informal consultations with interested Member States to assist him in his consultations with non-Member States. In that context, a number of Member States have been assisting in the informal contacts, for example with *Iceland*, *Liechtenstein* and *Singapore*. Furthermore, the Director-General has recently proposed that consultations with non-Member States be addressed by an informal consultative group that will also examine voluntary contributions and the recovery of arrears in assessed contributions.

ACTION REQUIRED OF THE BOARD

9. The Board may wish to take note of the information in the present document.